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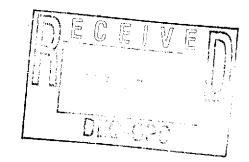
Crystal Springs, Mississippi 39059

Website: www.kuhlman.com

Power Transformers Instrument Transformers Distribution Transformers

February 9, 2009

Mr. Tony Russell
Assessment Remediation Branch Chief
Mississippi Department of Environmental Quality
P. O. Box 2261
Jackson, MS 39225



Dear Tony;

I am writing today to summarize the excavation of potentially contaminated soil to construct a pit at the Kuhlman Electric facility in Crystal Springs, MS. The purpose of the pit is to permit placing transformer core/coil assemblies into the transformer tank. KEC completed the project in January of 2009. This pit is the subject of the September 8, 2008 letter to MDEQ.

Kuhlman Electric's manufacturing capability has increased to permit building larger transformers. A pit was needed to permit the assembly of the larger transformers. Because KEC's bridge cranes are at a fixed elevation above the floor, KEC "lowers" the transformer case (via placing it into the pit) to permit placement of larger assemblies into the casing. Potentially contaminated soil was excavated to construct the pit. Walker Hill Environmental was contracted to excavate the soil. Walker Hill was selected because they have completed several environmental projects competently at the KEC site in past years.

Soil was removed to covered roll-offs. Composite samples of each of the roll-offs were taken. Analysis (found in Environmental Management Services (EMS) report in Appendix I) for PCB concentration was completed on the composites. Analysis showed that PCB 1260 was present in the soil. Please note that the EMS report contains data from the Vapor Phase Rail excavation that took place the same weekend. A sketch within the EMS report details the location of the samples from each project site.

Excavation of the soil took place in KEC's "Assembly Department" (Figure 2 illustrates pit location within the facility). Work to remove the soil was conducted during weekend hours when the Department was nearly empty of KEC personnel. KEC employees were informed of the excavation prior to its taking place.

Soil was disposed of in accordance with regulatory requirements. Manifests of the reflection of the re

Cc: Messrs. Paul Acheson, Ron Polk, John Brooks, KEC; Ms. Anastasia Hamel/ Borg Warner/ Mr. Steve Levine/ Phelps, Dunbar, Mr. James Barrett/Latham and Watkins